## REMARKS

The Office Action mailed June 5, 2006 has been reviewed and carefully considered.

Claims 1, 4, 7, 10, 13, 16, 28 and 29 have been amended and claims 19-27 have been canceled.

Claims 1-18, 28 and 29 are pending in the application.

In paragraph 2 on page 2 of the Office Action, the specification was objected to because of the title was descriptive of the invention.

Applicants respectfully traverse the objection to the specification, but in the interest of expediting prosecution have amended the title to overcome the objections as suggested.

On page 3 of the Office Action, claims 4 and 13 were objected to under 37 C.F.R. 1.71 because the subject matter "outside structures" was not disclosed.

Applicants respectfully traverse the objection to the claims, but in the interest of expediting prosecution have amended the claims to overcome the objections.

In paragraph 4 on page 3 of the Office Action, claims 4-6 and 13-15 were rejected under 35 U.S.C. §112, first paragraph, as directed to subject matter which was not described in the specification in such full, clear, concise and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the invention.

In paragraphs 5 on page three of the Office Action, claims 7 and 16 were rejected under 35 U.S.C. § 112, second paragraph, as being indefinite.

Applicant respectfully traverses the rejections, but in the interest of expediting prosecution has amended the claims to overcome the rejection. Applicant submits that the amendment to the claims do not narrow or change the scope of the invention.

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Reply to Office Action of June 5, 2006

In paragraph 7 on page 5 of the Office Action, claims 1-3, 7-12, 16-18, 28 and 29 were

rejected under 35 U.S.C. § 102 as being anticipated by Hashimoto.

However, in paragraph 9 on page 5 of the Office Action, claims 4-6 and 13-15 were

indicated as being allowable if rewritten or amended to overcome the above-identified rejections.

Applicant respectfully traverses the rejections, but in the interest of expediting

prosecution have amended the claims to more particularly distinguish the invention over the cited

reference.

Hashimoto discloses a BMR having a separation phase layer. The separation phase layer

includes magnetic regions 9D that connect first and second magnetic layers 4 and 6. However,

Hashimoto discloses that the magnetic regions 9D are disposed and separated using a non-

magnetic regions 9C. Thus, the magnetic regions do not have a width equal to a width of the first

pinned layer and the first free layer.

On the basis of the above amendments and remarks, it is respectfully submitted that the

claims are in immediate condition for allowance. Accordingly, reconsideration of this

application and its allowance are requested.

If a telephone conference would be helpful in resolving any issues concerning this

communication, please contact Attorney for Applicant, David W. Lynch, at 423-757-0264.

Respectfully submitted,

Chambliss, Bahner and Stophel 1000 Tallan Building

Two Union Square Chattanooga, TN 37402

423-757-0264

Name: David W. Lynch

Reg. No.: 36,204

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